



PRESS RELEASE

House Armed Services Committee

Floyd D. Spence, Chairman

FOR IMMEDIATE RELEASE

June 24, 1999

CONTACT: Maureen Cragin

Ryan Vaart

(202) 225-2539

OPENING STATEMENT OF CHAIRMAN FLOYD SPENCE

HEARING ON THE REPORT OF THE

PRESIDENT'S FOREIGN INTELLIGENCE ADVISORY BOARD

The Committee meets this afternoon to receive testimony on the President's Foreign Intelligence Advisory Board's (PFIAB) report concerning security problems at the Department of Energy.

I want to welcome our witness, the Honorable Warren Rudman, Chairman of the President's Foreign Intelligence Advisory Board and former distinguished Senator from New Hampshire. Senator Rudman, I know you have been very busy since your report was released and I thank you for taking the time to be with us today. As you know, this committee authorizes two-thirds of the Department of Energy's budget and has jurisdiction over all of its national security programs. Accordingly, your testimony today is invaluable to us as we continue to work through the implications of the China/DoE espionage case while also considering the recommendations of the Cox Committee and the PFIAB as we look to the future.

In the wake of the Cox Committee's revelations, the President asked the PFIAB to assess the security threat at the labs, the adequacy of the measures that have been taken to address it, and to make recommendations on further corrective actions.

As Senator Rudman will discuss in more detail, the PFIAB concluded:

- First, that DoE's security and counterintelligence operations have been relegated to low priority status for decades.
- Second, that organizational disarray, managerial neglect, and a bureaucratic culture of arrogance, both at DoE headquarters and at the labs, contributed directly to security problems.
- And third, DoE has become a dysfunctional bureaucracy characterized by serious mismanagement and has repeatedly demonstrated an inability to reform itself.

As a consequence, the PFIAB has recommended the creation of either an independent agency or a semi-autonomous agency within DoE to be responsible for stewardship of the nation's nuclear weapons.

-- MORE--

While I believe there is certainly room to discuss and debate the details of how to implement any such reorganization, the PFIAB's unwavering recognition of the need for dramatic change and reorganization is right on the mark. Any organization responsible for protecting our nuclear weapons must be tightly managed and must have streamlined and unambiguous lines of responsibility and authority. In my opinion, DoE, the organization of which Senator Rudman recently likened to a wiring diagram of Frankenstein's brain, has repeatedly demonstrated itself not able to ensure the nation's most sensitive and important weapons and secrets.

As Senator Rudman and others have noted, recommendations for change and reorganization at DoE are not new. Concerns over DoE management and the stewardship of our nuclear arsenal led me to author a provision carried in the defense authorization bill four years ago that simply asked the Secretary of Defense to report to the Congress on the steps that would be necessary for DoE's defense programs to be transferred to the Department of Defense. Even though it was a reporting requirement, it was opposed by the Administration four years ago, and more recently it was violently opposed by the Administration when I considered offering it as an amendment to this year's defense authorization bill. In the name of full disclosure, I know this is an idea that the PFIAB does not support.

My point is not to foster an argument over a specific proposal but instead, to recognize that proposals for change have been put forth in recent years only to die at the hands of the bureaucracy and the culture that the PFIAB report has rightly identified.

Likewise, and more recently, our committee colleague, Mr. Thornberry, authored a DoE reorganization provision currently contained in the defense authorization bill that is based on the principle of clearer lines of authority and responsibility. The gentleman from Texas has also been the driving force behind more comprehensive DoE reorganization legislation, some form of which is likely to pass the Senate in the days ahead. The gentleman is to be commended for his continuing efforts.

On the assumption that the Senate does pass DoE reorganization legislation, this committee will, in short order, likely be addressing the issue in conference. Looking ahead to these discussions, I certainly plan to approach the issue with an open mind, but with a bottom line that fundamental change is necessary, and long overdue. Only aggressive action can address DoE's deep rooted bureaucratic and cultural problems. I look forward to working with all interested parties, including Secretary Richardson, to ensure that whatever steps are taken will, first and foremost, have as their primary objective a dramatic improvement in the nation's ability to ensure the safety, security, effectiveness and reliability of its nuclear arsenal in the future.

#